

11/21/78

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder:
11/21/78; Container 98

To See Complete Finding Aid:

http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf

THE PRESIDENT'S SCHEDULE

Tuesday - November 21, 1978

8:15 Dr. Zbigniew Brzezinski - The Oval Office..

10:30 Mr. Jody Powell - The Oval Office.

10:45 Congressman Robert C. Krueger. (Mr. Frank Moore) - The Oval Office.

11:15 Presentation of Christmas Seals from the
(5 min.) American Lung Association. (Ms. Anne Wexler).
The Oval Office.

11:20 Ambassador Robert Strauss - The Oval Office.
(10 min.)

11:30 Vice President Walter F. Mondale, Admiral
(30 min.) Stansfield Turner, Dr. Zbigniew Brzezinski
and Mr. Hamilton Jordan - The Cabinet Room.

12:20 Senator Robert C. Byrd. (Mr. Frank Moore).
(3 min.) The Oval Office.

12:25 Mr. Clement Renouf, President, Rotary International.
(3 min.) (Ms. Anne Wexler) - The Oval Office.

12:30 Lunch with Mrs. Rosalynn Carter - The Residence.
(60 min.)

2:00 Mr. James McIntyre et al - The Cabinet Room.
(60 min.)

12:20 PM

THE WHITE HOUSE
WASHINGTON

November 20, 1978

MEETING WITH SENATOR ROBERT BYRD

Tuesday, November 21, 1978
12:20 p.m. (3 minutes)
Oval Office

From: Frank Moore *km/pd*

I. PURPOSE

Senator Byrd would like to present you with a copy of his record album, "Mountain Fiddler."

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: Senator Byrd requested an opportunity to present and autograph a copy of his new album to you.

B. Participants: The President
Senator Robert C. Byrd
Dan C. Tate

C. Press Plan: Full photo coverage.

III. TALKING POINTS

As appropriate.

10:45 AM

THE WHITE HOUSE
WASHINGTON

MEETING WITH CONGRESSMAN BOB KRUEGER

Tuesday, November 21, 1978
10:45 a.m. (15 minutes)
The Oval Office

From: Frank Moore *Jm/pd*

I. Purpose:

There is no set agenda for this meeting; Congressman Krueger would like to see you for personal reasons.

II. Background, Participants, and Press Plan:

- A. Participants: The President, Congressman Krueger
- B. Press: White House Photo only
- C. Background (1978 Election Information): Cong. Krueger engaged Senator John Tower in a close and widely publicized race for Tower's Senate seat. Charges and counter-charges were numerous in this campaign, with Krueger criticizing Tower's ties to Tongsun Park and Tower criticizing Krueger's inherited wealth and low attendance in the House. Wire services ran a photograph of Tower refusing Krueger's outstretched hand. Over a day after the election, it became clear that Tower had retained his seat, winning by less than one percent of the vote. Krueger's seat was won by Tom Loeffler, a Republican.

III. Personal Notes: Congressman Krueger is ⁴35 years old, single, a graduate of Oxford University, and a former dean at Duke University who returned to Texas to run the family hosiery mill.

THE WHITE HOUSE

WASHINGTON

20 Nov 78

Jim McIntyre

The attached was returned in the President's outbox today. It is forwarded to you for your information. The signed original has been given to Bob Linder for appropriate handling.

Rick Hutcheson

cc: Bob Linder

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

ACTION
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

C

17 NOV 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

James T. McIntyre, Jr. *Jim*

SUBJECT:

Allocation to the Council on
Wage and Price Stability

Attached for your consideration is an allocation to the Council on Wage and Price Stability in the amount of \$300,000 from the appropriation "Unanticipated Needs" to provide initial support for the anti-inflation program.

The proposed allocation would provide funds for staff and administrative expenses for the first four months of the fiscal year. It is planned that an additional \$200,000 from "Unanticipated Needs" may be needed to fund the program until the Council's 1979 supplemental request is enacted by the Congress, at which time the Council will reimburse the "Unanticipated Needs" account.

RECOMMENDATION

It is recommended that you sign the attached allocation of funds.

Attachment

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE HONORABLE BARRY BOSWORTH
Director
Council on Wage and Price Stability

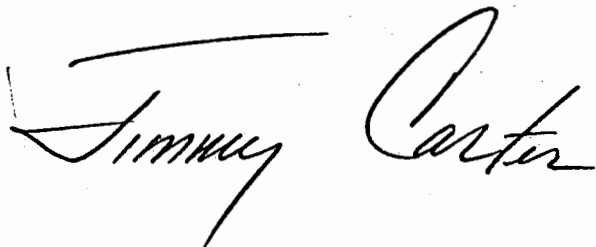
SUBJECT: Allocation to the Council on Wage
and Price Stability

Pursuant to the authority in the Executive Office Appropriations Act, 1979, I hereby allocate from the appropriation "Unanticipated Needs":

<u>TO</u>	<u>AMOUNT</u>
Council on Wage and Price Stability	\$300,000

for necessary expenses for the anti-inflation program.

I hereby determine that this allocation is to meet unanticipated needs for an emergency affecting the national interest.

Jimmy Carter

11:15 AM

THE WHITE HOUSE
WASHINGTON

November 20, 1978

PRESENTATION OF CHRISTMAS SEALS FROM THE
AMERICAN LUNG ASSOCIATION

Tuesday, November 21, 1978

11:15 a.m.

The Oval Office

FROM: ANNE WEXLER *Anne Wexler*

I. PURPOSE

To formally open the 1978 Christmas Seal Campaign.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

- A. Background: Every year the chairperson of the Christmas Seal Campaign, the president of the American Lung Association and two of the children who have created Christmas Seals meet with the President, Vice President or First Lady to formally open the annual campaign against lung disease. Last year this group met with the Vice President and then went on to a larger reception for all 54 child artists with Nancy Jordan and Nancy Moore.
- B. Participants: Ms. Shari Lewis, national Christmas Seal Chairperson and her puppet, Lamb Chop; Dr. Ethelene Crockett, president of the American Lung Association; Rhonda Langford, creator of the Christmas Seal for Washington state; Morgan Skinner, creator of the Christmas Seal for Florida; Helen Jones, Director of Public Relations for the American Lung Association; and Anne Wexler.
- C. Press Plan: Brief photo session.

III. AGENDA OF MEETING, MATTERS WHICH MAY BE MENTIONED TO PARTICIPANTS

- A. Agenda of Meeting: You will be presented with a framed copy of the 1978 Christmas Seals, each of which was created by a primary grade school child in each of the 50 states, the District of Columbia, Puerto Rico and the Virgin Islands.

You will also be presented with two Christmas Seal scarves for Mrs. Carter and Amy.

B. Matters Which May be Mentioned to Participants:

(1) This meeting formally opens the 72nd annual Christmas Seal campaign. The Christmas Seal Association, founded in 1907, was the first citizen's organization dedicated to fighting disease.

(2) The American Lung Association should be commended for its efforts in the campaigns against tuberculosis, emphysema, asthma, and other lung diseases and the environmental conditions which foster these ailments.

(3) Ms. Shari Lewis, national chairperson of the Christmas Seal Association, is a noted television performer, ventriloquist and author of children's books. She is most noted for her puppet Lamb Chop, who will accompany her.

(4) Dr. Ethelene Crockett, in addition to her work on respiratory disease, is a leading member of the Black medical community.

(5) Rhonda Langford and Morgan Skinner are both ten years old and in the fifth grade. Rhonda comes from Spokane, Washington, and Morgan from Jacksonville, Florida. Rhonda's seal portrays the Three Kings crossing the desert; Morgan's depicts Mr. and Mrs. Frosty Snowman.

THE WHITE HOUSE

WASHINGTON

November 20, 1978

MEETING WITH CLEM RENOUF

President of Rotary International
Tuesday, November 21, 1978
12:25 p.m.
The Oval Office

FROM: ANNE WEXLER *anne*

I. PURPOSE

Usual courtesy call and presentation of Paul Harris Fellow Award for promoting peace among nations.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

- A. Background: The presidents of Rotary International have traditionally met with the President. Last year you met with Jack Davis. Clem Renouf (Re' nuf) 1978-1979 President, comes from Australia where he recently retired from Renouf and Clarke, an accounting firm in Nambours, Australia.

President Renouf will be accompanied by John Sever, MD, District Governor of the Rotary Club and an employee of the National Institute of Health; Joseph Cook, President of the Rotary Club of Washington, D. C. and Vice President and Secretary of the National Forest Products Association; and Walter Marshall, Past President of the Rotary Club of Bethesda-Chevy Chase, formerly with Sears, Roebuck and currently manager of the YMCA of Bethesda.

Rotary International, founded in 1907, is a service club with 830,000 members in 154 countries and geographical regions.

The Paul Harris Fellow Award has been presented to other world leaders like the Emperor of Japan and the King of Thailand, as well as to well-known individuals such as Danny Kaye and Betty Ford. The Award represents a \$1,000

donation to the Rotary Foundation for their overseas education awards for better international understanding. In 1978-1979 \$8.7 million will be spent for such awards.

B. Participants: President Clem Renouf; John Sever, MD, Governor of Rotary International for Washington and Maryland; Joseph A. Cook, President of the Rotary Club of Washington; Walter Marshall, Past President of the Rotary Club of Bethesda-Chevy Chase; and Anne Wexler.

C. Press Plan: White House Photographer only.

III. MATTERS WHICH MIGHT BE MENTIONED TO PRESIDENT RENOUF

- Congratulate President Renouf on his election.
- Thank President Renouf for the Paul Harris Fellow Award and commend Rotary International and the Rotary Foundation for its commitment to education and cultural exchange as a means to world peace through better understanding.

THE WHITE HOUSE
WASHINGTON

20 Nov 78

The First Lady

The attached was returned in the
President's outbox today. It is
forwarded to you for your information.

Rick Hutcheson

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

ACTION
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

cc
Los

16 November 1978

Mr. President,

For ten days, 252 American men and women from the area around Washington D.C. were in Berlin as part of the Friendship Force. Among them, to our great pleasure, were your daughter-in-law, Annette, and Mrs. Davis. Their participation gave the Program a particularly friendly touch which underlined yet again your very personal commitment to Berlin. I should like to take this opportunity to let you know once more how much I am in favor of the objectives that form the basis of the Friendship Force Program.

I am happy to tell you that the great trust of Berliners in their American Protecting Power, which has existed for decades, has grown even more in 1978, as opinion polls show. Your policies, and above all your very personal commitment to Berlin have made a decisive contribution in this. To underline this trust by more Friendship Force Programs is a worthwhile undertaking which I will fully support.

It was nice to have members of your family as guests in our city for ten days. The Berliners send greetings to your wife, Rosalynn, and to you, Mr. President.

President of the
United States of America
The White House
Washington, D.C.


(Dietrich Stobbe)

THE WHITE HOUSE
WASHINGTON

21 Nov 78

Alfred Kahn

The attached was returned in the President's outbox today. It is forwarded to you for appropriate handling.

Rick Hutcheson

Hamilton Jordan
Jim McIntyre
Hugh Carter

	FOR STAFFING
	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

ACTION
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
	EIZENSTAT
<input checked="" type="checkbox"/>	JORDAN
	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
<input checked="" type="checkbox"/>	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
<input checked="" type="checkbox"/>	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
<input checked="" type="checkbox"/>	WISE
	KATH

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

THE WHITE HOUSE
WASHINGTON

11-21-78

To Alfred Kahn

I think one or
two Level III from pool
plus two or three
GS 17 or 18 would be
more appropriate (total 4).

If necessary to
go outside of existing
agencies for billets, I
will expand W.H. staff
size - minimally &
reluctantly.

Proceed expeditiously
to choose your people, work-
ing with OMB

cc McIntyre J. C.

THE WHITE HOUSE
WASHINGTON

November 14, 1978

1 deputy
1 econ
1 regulator
1 PR

MEMORANDUM FOR THE PRESIDENT

FROM: ALFRED KAHN *Fred*
SUBJECT: Personal Staff

65 17 or 18

*Assistant
Secretary*

I have concluded that I need a small personal staff of four senior (Level IV) deputies (for labor-management relations; government programs; regulatory policy and political/legislative liaison) to help me do my job. *

Assembling this staff will not require additional personnel or funds beyond the resources you've agreed to put into COWPS. So far as I know, Hamilton, Charlie, Stu, Jim, Jack, and Hugh all agree with this conclusion.

*Stu - 2
char - 2*

There is some uncertainty, however, about the best way to get these people, and about where to put them within the Executive Office of the President. I am told there are three possibilities:

1. Ask Congress for authorization and appropriations for four additional Level IV's within COWPS. Since the necessary funds cannot be obtained until the spring, in the meantime pay for them from the Unanticipated Needs Fund.

no

The OMB staff that did the planning for COWPS before your anti-inflation speech believes this would be very hard to do. The status of COWPS within the EOP is ambiguous, and they tell me we would be stretching its definition and the COWPS authorization very far by asking to place in it four Level IV's with as broad a range of duties as I contemplate to carry out my responsibilities under your program, and Charlie Schultze argues strongly that Congress will severely question whether COWPS is not being converted into a second, duplicate CEA. At best, Congressional debate over this change might involve considerable delay in our receiving the authority and appropriations we absolutely require for the voluntary standards program.

2. Pull them from the Presidential Pool of 34 Level IV's now assigned to the agencies and place them within COWPS; until the necessary appropriations are obtained, pay for them from the Unanticipated Needs Fund.

This route would be somewhat easier than the first. Although new statutory authority for Level IV's in COWPS would not be required, we would still have to include funding for these positions in the appropriations request for COWPS, with most of the difficulties related in number 1 above. Also, at the present time there is only one pool spot available (Interior). To exercise this option would require our obtaining that position and directing certain agencies to downgrade three other individuals who are presently occupying positions from the pool. Such an action would certainly immediately inspire Secretarial appeals to you.

3. Place the four deputies and me on the White House staff; and ask Congress for a supplemental appropriation for the White House Office.

I (and Charlie Schultze) believe this choice is so clearly the best, the simplest, the most direct that I take the liberty of urging it even though it will require raising your White House ceiling from 351 to 355 (or 356 if you wish to create room for me instead of squeezing out a position for me, as is now planned), and asking for the necessary appropriations in a supplemental budget request.

Your staff has made quite clear to me your attitude toward the personnel ceiling. I must nevertheless recommend this course, and urge the following three justifications for this exception from your policy. First, when you set the 351 limit you could not have foreseen the need for a major anti-inflation effort. I cannot believe that increasing your White House staff by four or five persons in order to carry out one of the most important tasks of your Presidency would give rise to public criticism. Second, given normal attrition and turnover your staff would probably not exceed 351 anyway. Third, this approach is far and away the least complex. We need to get COWPS operating as quickly as possible. We may have Congressional difficulties in any case; we should not exacerbate them. Putting these people on the White House staff avoids converting COWPS into a second CEA. I need help immediately in carrying out the extremely broad across-the-board mission you have assigned me. I must be enabled to assemble the necessary senior staff as quickly as possible, and to place them in an unambiguous status. So far as I can see, this means placing them on the White House staff.

1:55 PM

THE WHITE HOUSE

WASHINGTON

November 20, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *Jack*

SUBJECT: Brief Greeting with Governor George Ariyoshi
of Hawaii Tuesday, November 21, 1978
1:55 - 2:00 p.m. Oval Office

Governor Ariyoshi requested a meeting with you to discuss several issues concerning Hawaii. We have arranged for him to meet with several Cabinet members on the issues.

The purpose of this greeting is to allow him a brief private audience with you and to provide a photo opportunity.

As you know, Governor Ariyoshi was recently re-elected after a very tough primary battle with Mayor Frank Fasi of Honolulu. I was with the Governor this past weekend at the Seminar for New Governors in Pine Isle, Georgia. He was one of the "faculty" governors, and it was evident from his remarks that the race was a painful experience for him. He is, as you know, a very sincere man; his critics say that he has been too complacent and too much shielded from public view.

You could mention the election and your pleasure in his re-election, as well as his role in the Seminar for New Governors.

THE WHITE HOUSE
WASHINGTON

20 Nov 78

Jack Watson

The attached was returned in
the President's outbox today.
It is forwarded to you for
appropriate handling.

Rick Hutcheson

(original letter attached)

THE WHITE HOUSE
WASHINGTON

November 20, 1978

*The delay
is disturbing*
J

MEMORANDUM FOR THE PRESIDENT

FROM:

JACK WATSON *Jack*

SUBJECT:

State and Local Anti-Inflation
Effort -- Letter

Although you have already signed a letter regarding our anti-inflation efforts to be sent to State and local officials, we decided some minor changes would strengthen it. As Fred Kahn reported at the Cabinet meeting this morning, we are continuing to analyze the state and local government components of the anti-inflation effort and are refining our proposals and approaches as we learn more. Fred, Charlie, Landon and Stu all concur in the changes which have been made in the attached letter.

THE WHITE HOUSE

WASHINGTON

To

On October 24th, I outlined to the American people the need for concerted efforts if we are to deal effectively with the inflation we have been experiencing for the last ten years. That same day, I sent to you and other national leaders a White Paper describing my proposals in detail.

As you know, I have pledged to do everything in my power to control inflation.

- I will impose austere restraints on Federal spending and reduce the number of Federal employees.
- I have already limited Federal pay raises to 5.5 percent, and frozen all executive salaries.
- I will significantly reduce the Federal deficit next year, and thereafter.
- I am confident that the Congress will cooperate in this effort, but, if necessary, I will veto inflationary legislation.
- I will also ensure that regulatory and other Administrative actions do not raise costs and prices unnecessarily.

Carrying out these measures will be tough on everyone, but the battle against inflation requires sacrifices from all of us.

Since the Federal Government is a major purchaser of goods and services, beginning this January, wherever possible it will act as a prudent buyer, directing procurement activities to firms that abide by our wage and price standards in order to reduce the cost of procurement. Because state and local governments are also important purchasers, I hope you will also review procurement programs with an eye to minimizing inflationary pressures.

In August, I asked national associations of state and local governments to help us identify anti-inflation actions in such areas as housing, food, and medical care. There is a lot that state and local governments can do in these areas, both with and without cooperation from the Federal Government.

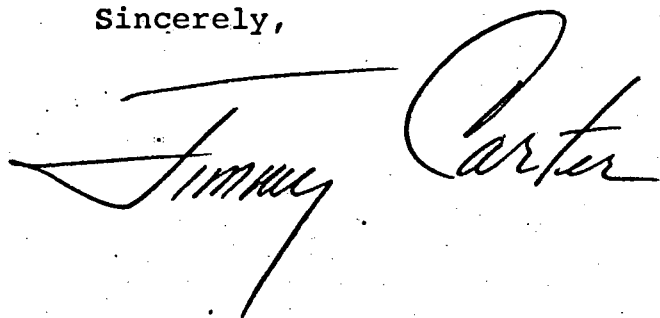
Association representatives have been working with Jack Watson to develop an agenda of these actions. When that agenda is complete, I will seek your advice on how best to proceed. In the meantime, I would appreciate your initiating anti-inflationary steps in all areas under your control and jurisdiction.

Specifically, I strongly urge you to:

1. Urge your public utility commissions to enforce the wage and price standards and to explore every possibility of improving rate designs so they encourage conservation and economical use of electricity, gas, and communications services.
2. Include in your procurement regulations wage and price provisions similar to those we have introduced at the Federal level (a copy of the Federal regulation is enclosed).
3. Introduce regulatory reviews that take into account the economic impact of all state and local regulatory activities as well as the potential benefits of regulations.
4. Keep wage increases for state and local workers within the limits enunciated in the Administration's standards.
5. Impose similar wage restraints on participants in programs assisted by state grants-in-aid.

Your leadership -- in your states and communities -- is essential if we are to win the battle against inflation. I need your personal commitment in the joint effort, and your help in explaining to all our citizens the need for immediate and full cooperation with our program.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

THE WHITE HOUSE
WASHINGTON

Mr. President:

This letter has been cleared
by Kahn and Fallows.

Rick/Bill

THE WHITE HOUSE
WASHINGTON

11/15

Note:

Gene Eidenberg has a
cc of signed letter -
HoeD until we get
OK from him.

TSey

THE WHITE HOUSE

WASHINGTON

November 11, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *Jack*
SUBJECT: Anti-Inflation Letter to Governors
and Other State and Local Officials

Attached is a suggested draft of a letter from you to Governors, and other selected state and local officials throughout the country. I anticipate that the mailing will go to between 750 and 1,000 state and local elected leaders.

THE WHITE HOUSE

WASHINGTON

To

On October 24, I outlined to the American people the need for concerted efforts if we are to deal effectively with the inflation we have been experiencing for the last ten years. That same day, I sent to you and other national leaders a White Paper describing my proposals in detail.

As you know, I have pledged to do everything in my power to control inflation:

- I will impose austere restraints on Federal spending and reduce the number of Federal employees.
- I have already limited Federal pay raises to 5.5 percent, and frozen all executive salaries.
- I will significantly reduce the Federal deficit next year, and thereafter.
- I am confident that the Congress will cooperate in this effort, but, if necessary, I will veto inflationary legislation.
- I will also ensure that regulatory and other Administrative actions do not raise costs and prices unnecessarily.

Carrying out these measures will be tough on everyone, but the battle against inflation requires sacrifices from all of us.

Since the Federal Government is a major purchaser of goods and services, beginning this January, wherever possible, it will direct procurement activities to firms that abide by our wage and price standards. Because state and local governments are also important purchasers, I hope you will also review procurement programs with an eye to minimizing inflationary pressures.

In August, I asked national associations of state and local governments to help us identify anti-inflation actions in such areas as housing, food, and medical care. There is a lot that state and local governments can do in these areas, both with and without cooperation from the Federal Government. Association representatives have been working with Jack Watson to develop an agenda of these actions. When that agenda is complete, I will seek your advice on how best to proceed. In the meantime, I would appreciate your initiating anti-inflationary steps in all areas under your control and jurisdiction.

Specifically, I strongly urge you to:

1. Keep wage increases for State and local workers within the limits enunciated in the guidelines.
2. Impose similar wage restraints on programs assisted by State grants-in-aid and other such means.
3. Restrain State spending and the imposition of new taxes.
4. Urge your public utility commissions to enforce the wage-price guidelines, and to explore every possibility of improving rate designs so they encourage conservation and economical use of electricity, gas, and communications services.
5. Include in your procurement regulations wage and price provisions similar to those we have introduced at the Federal level (a copy of the Federal regulation is enclosed).
6. Introduce regulatory reviews that take into account the economic -- and specifically the inflationary -- impact of all State and local regulatory activities.

Your leadership -- in your states and communities -- is essential if we are to win the battle against inflation. I need your personal commitment in the joint effort, and your help in explaining to all our citizens the need for immediate and full cooperation with our program.

Sincerely,

Jimmy Carter

*p.s. I also need additional ideas
you may have -*

J

THE WHITE HOUSE

WASHINGTON

Date:

MEMORANDUM

FOR ACTION:

Jim Fallows

*- attached
Kahn/lt rework -
w/ Linder*

FOR INFORMATION:

The Vice President
Stu Eizenstat
Anne Wexler
Alfred Kahn

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Anti-Inflation Letter to Governors and Other
State and Local Officials

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00

DAY: Wednesday

DATE: 15 Nov 78

ACTION REQUESTED:

☒ Your comments
Other:

STAFF RESPONSE:

☐ I concur. ☐ No comment.
Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND
<input type="checkbox"/>	NO DEADLINE
<input type="checkbox"/>	LAST DAY FOR ACTION -

ACTION
FYI

<input type="checkbox"/>	ADMIN CONFID
<input type="checkbox"/>	CONFIDENTIAL
<input type="checkbox"/>	SECRET
<input type="checkbox"/>	EYES ONLY

<input checked="" type="checkbox"/>	VICE PRESIDENT
<input checked="" type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	MOORE
<input type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON
<input checked="" type="checkbox"/>	WEXLER
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	MCINTYRE
<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	CRUIKSHANK
<input checked="" type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	RAF'SHOON
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN
<input checked="" type="checkbox"/>	WISE
<input checked="" type="checkbox"/>	KATH

<input type="checkbox"/>	ADAMS
<input type="checkbox"/>	ANDRUS
<input type="checkbox"/>	BELL
<input type="checkbox"/>	BERGLAND
<input type="checkbox"/>	BLUMENTHAL
<input type="checkbox"/>	BROWN
<input type="checkbox"/>	CALIFANO
<input type="checkbox"/>	HARRIS
<input type="checkbox"/>	KREPS
<input type="checkbox"/>	MARSHALL
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VANCE

November 11, 1978

Draft of proposed letter from
the President to Governors, selected
mayors, county officials, and state
legislators

To

On October 24th, I outlined to the American people the concerted efforts we must make in this country if we are to deal effectively with the difficult and destructive problem of inflation. That same day, I sent to you and other national leaders a White Paper describing my proposals in detail.

As you know, I have pledged to do everything in my power to combat inflation and to pursue fiscal policies which will help contain inflationary pressures.

- I will rigorously restrain Federal expenditures and reduce the level of federal employment.
- I have already taken steps to limit federal pay raises to 5.5 percent and to freeze all executive pay levels.
- I will insist on significant reductions in the federal deficit next year and thereafter.
- I am confident that the Congress will cooperate fully, but, if necessary, I will veto inflationary expenditures.

- I am also engaging in an intensive, systematic effort to ensure that the regulatory and other actions of my Administration do not raise costs and prices unnecessarily.

I realize that carrying out such a policy of austerity will not be easy, but the task of fighting inflation requires significant sacrifices from us all.

Since the Federal government is a major purchaser of goods and services, it will, beginning in January, direct its procurement activities, insofar as feasible, to firms which observe the proposed wage and price standards. Because state and local governments are also significant purchasers, it would be helpful if, as responsible buyers, you reviewed your procurement programs for similar opportunities to minimize inflationary pressures.

In August, I asked the various national associations of state and local governments to work with us to identify anti-inflation actions appropriate to state and local governments. Representatives of those associations have been working with Jack Watson and his staff on a potential agenda of such actions. When that work is completed, I will seek your further advice as to how such actions can

be implemented. In the meantime, I would appreciate your initiating anti-inflationary steps in areas under your control and jurisdiction.

No one knows better than the state and local government leaders throughout this country that inflation must be brought under control. I need your personal support and leadership in making our mutual anti-inflation efforts a success, and I ask your help in explaining to our citizens the need for immediate and full cooperation with our programs.

Sincerely,

Jimmy Carter

THE WHITE HOUSE
WASHINGTON

14 Nov 78

copy

Jim Fallows

This is Kahn's rewrite of the draft of proposed letter from the President to Governor's, selected Mayors, county officials, and State legislators. Please read and edit.

Rick Hutcheson

Immediate Turnaround

*OK per editing -
Carol Conner*

11-13-78

Draft of proposed letter from the President
to Governors, selected Mayors, county
officials, and State legislators

To

On October 24th, I outlined to the American people the *need for*
concerted efforts ~~we must make~~ if we are to deal effectively
with the inflation we have been experiencing for the last
ten years. That same day, I sent to you and other national
leaders a White Paper describing my proposals in detail.

As you know, I have pledged to do everything in my
power *to control inflation:*

- impose another 7.5 on*
- I will ~~rigorously restrain~~ Federal ~~expenditures~~ *spending*
and reduce the ~~level~~ *making* of federal employment *2.5%*
- I have already ~~taken steps to limit~~ *ed* federal pay
raises to 5.5 percent, and ~~to freeze~~ *from* all executive *salaries*
~~pay levels~~.
- I will ~~insist on~~ *14* significant *reductions* ~~in~~ the
federal deficit next year, and thereafter.
- I am confident that the Congress will cooperate *in this effort*
~~fully~~, but, if necessary, I will veto inflationary
~~expenditures~~ *legislation*.

^{with}
I ~~am~~ also engaging in an intensive, systematic effort to ensure that ~~the~~ regulatory and other ^{Administrative} actions of my Administration do not raise costs and prices unnecessarily.

^{These measures}
I realize that ~~carrying out such a policy of austerity~~ ^{be tough on everyone, but the battle against} will not be easy, but the task of fighting inflation requires sacrifices from all of us.

Since the Federal Government is a major purchaser of goods and services, ^{as far as possible} it will, beginning in January, direct ^{this} procurement activities, insofar as feasible, to firms which observe ^{while by our} the proposed wage and price standards. Because state and local governments are also important purchasers, ^{I hope your} it would be helpful if, as responsible buyers, ^{will also} you reviewed your procurement programs for ^{with an eye to minimizing} similar opportunities to minimize inflationary pressures.

In August, I asked the various national associations of state and local governments to ^{help} work with us to identify anti-inflation actions in ^{such areas} specific sectors such as housing, food, and medical care ^{These are areas} that state and local governments can ^{do in these areas} take, with ^{both} and without cooperation from the Federal Government. ^{Association} Representatives of those associations have been working with Jack Watson and his staff ^{to develop an agenda of these} on a possible agenda of such actions. When that ^{agenda} work is completed, I will seek your further advice ^{on} about how best to proceed. In the meantime, I would appreciate your

initiating anti-inflationary steps in ^{all} areas under your control and jurisdiction.

Specifically, I strongly urge you to:

1. ^{Keep} ~~limit~~ wage increases ^{for} State and local workers ~~to~~ ^{within the limits enunciated in} ~~conform with the guidelines.~~
2. Impose similar wage restraints on programs assisted by State grants-in-aid and other such means.
3. Restrain State spending and the imposition of new taxes.
4. Urge your public utility commissions to enforce the wage-price guidelines, and to explore vigorously ^{with} ~~the~~ ^{possibilities of improving their rate designs so they} ~~in such a way as to promote conservation and~~ ^{encourage} ~~economizing the~~ ^{cal} ~~use~~ ^{the} ~~use of electricity, gas, and~~ ~~communications services.~~
5. ^{Include} ~~Incorporate~~ ^{those we have} ~~in your procurement regulations/provisions~~ ^{wage & price} ~~similar to the ones we have introduced at the~~ ~~Federal level, to enforce the wage and price standards~~ ~~(I enclose a copy of the pertinent Federal document).~~ ^{(a copy of the) regulations} ~~is~~ ^{enclosed.}
6. ~~consider~~ ^{Introducing} ~~regulatory review policies~~ ^{are} ~~similar to the ones we have begun to undertake~~ ~~at the Federal level to require an economic~~ ^{That take into account that} ~~at the Federal level to require an economic~~ ^{are} ~~--~~

and specifically ^{The} ~~an~~ inflationary -- ^{impact} ~~assessment~~
of all State and local regulatory activities.

^{Your leadership -- in your states and communities --}
~~No one knows better than the State and local government~~
^{is essential if ~~the~~ we are to win the battle against}
~~leaders throughout this country that inflation must be brought~~
~~under control.~~ I need your personal ^{commitment} support and leadership in
~~making our~~ ^{The} joint efforts ~~a success~~, and ~~ask~~ your help in
^{all} explaining to our citizens the need for immediate and full
cooperation with our programs.

Sincerely,

Jimmy Carter

Draft of proposed letter from the President
to Governors, selected Mayors, county
officials, and State legislators

To

On October 24th, I outlined to the American people the need for concerted efforts if we are to deal effectively with the inflation we have been experiencing for the last ten years. That same day, I sent to you and other national leaders a White Paper describing my proposals in detail.

As you know, I have pledged to do everything in my power to control inflation:

- I will impose austere restraints on Federal spending and reduce the number of Federal employees.
- I have already limited Federal pay raises to 5.5 percent, and frozen all executive salaries.
- I will significantly reduce the Federal deficit next year, and thereafter.
- I am confident that the Congress will cooperate in this effort, but, if necessary, I will veto inflationary legislation.
- I will also ensure that regulatory and other Administrative actions do not raise costs and prices unnecessarily.

Carrying out these measures will be tough on everyone, but the battle against inflation requires sacrifices from all of us.

Since the Federal Government is a major purchaser of goods and services, beginning this January, wherever possible, it will direct procurement activities to firms that abide by our wage and price standards. Because state and local governments are also important purchasers, I hope you will also review procurement programs with an eye to minimize^{ing} inflationary pressures.

In August, I asked national associations of state and local governments to help us identify anti-inflation actions in such areas as housing, food, and medical care. There is a lot that state and local governments can do in these areas, both with and without cooperation from the Federal Government. Association representatives have been working with Jack Watson to develop an agenda of these actions. When that agenda is complete, I will seek your advice on how best to proceed. In the meantime, I would appreciate your initiating anti-inflationary steps in all areas under your control and jurisdiction.

Specifically, I strongly urge you to:

1. Keep wage increases for State and local workers within the limits enunciated in the guidelines.
2. Impose similar wage restraints on programs assisted by State grants-in-aid and other such means.
3. Restrain State spending and the imposition of new taxes.
4. Urge your public utility commissions to enforce the wage-price guidelines, and to explore every

possibility of improving rate designs so they encourage conservation and economical use of electricity, gas, and communications services.

5. Include in your procurement regulations wage and price provisions similar to those we have introduced at the Federal level (a copy of the Federal regulation is enclosed).
6. Introduce regulatory reviews that take into account the economic -- and specifically the inflationary -- impact of all State and local regulatory activities.

Your leadership -- in your states and communities -- is essential if we are to win the battle against inflation. I need your personal commitment in the joint effort, and your help in explaining to all our citizens the need for immediate and full cooperation with our program.

Jimmy Carter

THE WHITE HOUSE
WASHINGTON

14 Nov 78

Jim Fallows

This is Kahn's rewrite of the draft of proposed letter from the President to Governor's, selected Mayors, county officials, and State legislators. Please read and edit.

Rick Hutcheson

Immediate Turnaround

THE WHITE HOUSE
WASHINGTON

11/14

Past -

Please send this Kahn rewrite
to follow ~~(past date)~~.

Thank,

1 Sep

11-13-78

Draft of proposed letter from the President
to Governors, selected Mayors, county
officials, and State legislators

To

On October 24th, I outlined to the American people the concerted efforts we must make if we are to deal effectively with the inflation we have been experiencing for the last ten years. That same day, I sent to you and other national leaders a White Paper describing my proposals in detail.

As you know, I have pledged to do everything in my power:

- . I will rigorously restrain Federal expenditures and reduce the level of federal employment.
- . I have already taken steps to limit federal pay raises to 5.5 percent and to freeze all executive pay levels.
- . I will insist on significant reductions in the federal deficit next year and thereafter.
- . I am confident that the Congress will cooperate fully, but, if necessary, I will veto inflationary expenditures.

- . I am also engaging in an intensive, systematic effort to ensure that the regulatory and other actions of my Administration do not raise costs and prices unnecessarily.

I realize that carrying out such a policy of austerity will not be easy, but the task of fighting inflation requires sacrifices from all of us.

Since the Federal Government is a major purchaser of goods and services, it will, beginning in January, direct its procurement activities, insofar as feasible, to firms which observe the proposed wage and price standards. Because state and local governments are also important purchasers, it would be helpful if, as responsible buyers, you reviewed your procurement programs for similar opportunities to minimize inflationary pressures.

In August, I asked the various national associations of state and local governments to work with us to identify anti-inflation actions in specific sectors such as housing, food, and medical care that state and local governments can take, with and without cooperation from the Federal Government. Representatives of those associations have been working with Jack Watson and his staff on a possible agenda of such actions. When that work is completed, I will seek your further advice about how best to proceed. In the meantime, I would appreciate your

initiating anti-inflationary steps in areas under your control and jurisdiction.

Specifically, I strongly urge you to:

1. Limit wage increases to State and local workers to conform with the guidelines.
2. Impose similar wage restraints on programs assisted by State grants-in-aid and other such means.
3. Restrain State spending and the imposition of new taxes.
4. Urge your public utility commissions to enforce the wage-price guidelines, and to explore vigorously the possibilities of improving their rate designs in such a way as to promote conservation and economizing the use of electricity, gas, and communications services.
5. Incorporate in your procurement regulations provisions similar to the ones we have introduced at the Federal level, to enforce the wage and price standards (I enclose a copy of the pertinent Federal document).
6. Consider introducing regulatory review policies similar to the ones we have begun to undertake at the Federal level to require an economic --

and specifically an inflationary -- assessment
of all State and local regulatory activities.

No one knows better than the state and local government leaders throughout this country that inflation must be brought under control. I need your personal support and leadership in making our joint efforts a success, and I ask your help in explaining to our citizens the need for immediate and full cooperation with our programs.

Sincerely,

Jimmy Carter

To: Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

Date:

MEMORANDUM

FOR ACTION:

Jim Fallows

FOR INFORMATION:

The Vice President

Stu Eizenstat

Anne Wexler

Alfred Kahn

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Anti-Inflation Letter to Governors and Other
State and Local Officials

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00

DAY: Wednesday

DATE: 15 Nov 78

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

*Attached rewrite of draft
with corrections from
Alfred Kahn.*

THE WHITE HOUSE

WASHINGTON

November 11, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

JACK WATSON *Jack*

SUBJECT:

Anti-Inflation Letter to Governors
and Other State and Local Officials

Attached is a suggested draft of a letter from you to Governors, and other selected state and local officials throughout the country. I anticipate that the mailing will go to between 750 and 1,000 state and local elected leaders.

November 11, 1978

Draft of proposed letter from
the President to Governors, selected
mayors, county officials, and state
legislators

To

On October 24th, I outlined to the American people the concerted efforts we must make ~~in this country~~ if we are to deal effectively with the ~~difficult and destructive~~ *we have been experiencing for the last ten years.* ~~problem~~ of inflation. That same day, I sent to you and other national leaders a White Paper describing my proposals in detail.

As you know, I have pledged to do everything in my power ~~to combat inflation and to pursue fiscal policies which~~ *repet.* ~~will help contain inflationary pressures.~~

- I will rigorously restrain Federal expenditures and reduce the level of federal employment.
- I have already taken steps to limit federal pay raises to 5.5 percent and to freeze all executive pay levels.
- I will insist on significant reductions in the federal deficit next year and thereafter.
- I am confident that the Congress will cooperate fully, but, if necessary, I will veto inflationary expenditures.

- I am also engaging in an intensive, systematic effort to ensure that the regulatory and other actions of my Administration do not raise costs and prices unnecessarily.

I realize that carrying out such a policy of austerity will not be easy, but the task of fighting inflation requires ~~significant~~ sacrifices from ~~us~~ all of us.

Since the Federal government is a major purchaser of goods and services, it will, beginning in January, direct its procurement activities, insofar as feasible, to firms which observe the proposed wage and price standards. Because state and local governments are also ^{important} ~~significant~~ purchasers, it would be helpful if, as responsible buyers, you reviewed your procurement programs for similar opportunities to minimize inflationary pressures.

In August, I asked the various national associations of state and local governments to work with us to identify anti-inflation actions ^{that} ~~appropriate~~ to state and local governments. ^{can take, without} ~~cooperation from the Federal Government.~~ Representatives of those associations have been working with Jack Watson and his staff on a ^{possible} ~~potential~~ agenda of such actions. When that work is completed, I will seek your further advice ^{about} ~~as to~~ how ^{best to proceed,} ~~such actions can~~

in specific sectors such as housing, food and medical care

Attchd to each of these memos is a copy of the letter to the President

~~be implemented?~~ In the meantime, I would appreciate your initiating anti-inflationary steps in areas under your control and jurisdiction.

INSERT
DICTATION

No one knows better than the state and local government leaders throughout this country that inflation must be brought under control. I need your personal support and leadership in making our ~~mutual anti-inflation~~ ^{joint} efforts a success, and I ask your help in explaining to our citizens the need for immediate and full cooperation with our programs.

Sincerely,

Jimmy Carter

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

11-21-78

Mtg w Zahedi

Reaffirm support

Informing others - USSR

Encouraging others to do so

Econ sit. ? Tap. Reg. 7

Soc sit. ?

Rel sit during holidays ahead?

Pol order

Concept + pol organ

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

TUESDAY - NOV. 21, 1978
12:10 p.m.

MR. PRESIDENT

CONGRESSMAN THOMAS DOWNEY

CALLED.

PHIL

Casamento